



CITY COUNCIL WORK SESSION MEETING

August 18, 2026 at 4:30 pm

80 South Main Street

Spanish Fork, UT 84660

Work Session - No formal actions are taken in a work session.

Elected Officials Present:

Mayor Mike Mendenhall, Councilmembers Stacy Beck, Landon Tooke, Jesse Cardon, Shane Marshall & Kevin Oyler.

Staff Present: Jack Urquhart - Public Information Officer; Jordan Hales - Finance Director; Tyler Jacobson - Assistant City Manager; Seth Perrins - City Manager; Matt Johnson - Police Chief; Shelley Hendrickson - Deputy Recorder; Dave Anderson - Community Development Director; Vaughn Pickell - City Attorney; Cory Pierce, Public Works Director; Dillon Muirbrook - Traffic Engineer; Jered Johnson - Asst. Public Works Director; Eddie Hales - Fire & EMS Director; Bronco Hunter - Parks & Recreation Director; Emily Miller-Leger - Administrative Intern.

Discussion began at 4:40 p.m. regarding when to issue debt for Fire Station 61 and the Public Works Building.

Interest rates are rising due to inflationary pressures and geopolitical instability, particularly the Iran war's impact on oil prices. Jonathan Ward explained that while core inflation indicators suggest inflation might not be severe, market sentiment is pricing in higher rates with a 65% probability of a rate increase by December 2026, with a smaller 30% chance in September of 2026. Recent municipal bond issuances have seen rates increase by 25 to 35 basis points compared to earlier this year, moving away from historic lows of 2020-2021. Early borrowing could allow the city to invest in short-term funds to offset carrying costs, though IRS arbitrage rules limit earnings on tax-exempt bonds.

Call options on bonds provide the city with the ability to refinance if interest rates drop, but they come with an upfront premium of about 1%, which is higher than in previous years when costs were negligible. Without call options, bonds typically lock in rates for 10 years, limiting budget flexibility. A hybrid bond structure was discussed, where part of the debt could be issued with prepayment flexibility and the rest without, balancing cost and refinancing opportunities.

The project budget is approximately \$60 million, with \$15 million allocated to the fire station and \$45 million to the public works building. The project is divided into two bid packages: the

first for site preparation and demolition with a GMP expected in October, capped at around \$5 million and including heavy contingencies due to unknowns. The main construction bid package and full GMP are planned for February 2027, following the completion of 95% construction documents.

The council discussed whether to bond earlier to lock in current interest rates or wait for a finalized GMP and risk higher rates. Jonathan advised that market conditions suggest rates are more likely to rise than fall before spring 2027, making earlier bonding financially advantageous. He estimated that a 0.25% increase in interest rates could add approximately \$100,000 in annual interest costs, totaling about \$1 million over a 10-year bond term.

Spanish Fork's bond rating is estimated at AA- or AA, slightly below AAA rated entities like Salt Lake County but comparable to other local issuers such as Hurricane Fire District. Investors focus more on the city's creditworthiness than on the physical collateral of the buildings. This reduces the need for fully completed designs before issuing bonds. The city's lease revenue bonds are cross-collateralized across multiple assets, including the fire station, SFCN building and providing additional security. This structure allows bond issuance with only 60% design completion, as investors are confident in the city's ability and willingness to repay.

The design schedule anticipates 60% completion of construction documents by early November and 95% by December 2026. Bidding for the main construction package would be after the holiday season. The site preparation and demolition bid package is separated to allow earlier work to begin, with a GMP expected in October.

At 5:05 pm there was a short break for dinner. Discussion began again at 5:15 p.m. regarding the Transportation Utility Fee (TUF) study. Staff finalized a draft of the TUF study focusing on creating a sustainable, self-sufficient funding source to replace subsidies currently covering transportation maintenance. The TUF provides transparent and dedicated funding for transportation maintenance.

Dillon Muirbrook, Traffic Engineer, presented the following on the TUF study: The fee is based on the nexus between users and transportation service impact per state statute. Differential rates for commercial and residential users reflect usage and trip generation. An appeals process is mandated, with the city council currently proposed as the appeals board. The study ensures the fee can be imposed by ordinance with built-in transparency and procedural checks.

The study proposes a phased rollout to gradually replace approximately \$900,000 in current subsidies and cover a \$1.5 million funding shortfall by FY29.

FY27 transportation maintenance budget: about \$2.5 million, with \$900,000 in subsidies from water, sewer, power, garbage, and SFCN funds.

FY27 target fee revenue: \$600,000, replacing water and power subsidies and freeing those funds for other uses.

FY28 target increases to \$950,000, removing subsidies from sewer, garbage, and SFCN.

FY29 target reaches \$1.5 million, fully covering the maintenance shortfall with TUF revenue.

FY27 residential fee set at \$1.95/month to replace subsidies without increasing overall residential bills.

Commercial fees tiered from \$375 to \$1,720 annually at entry level, reflecting trip generation and frontage adjustments.

By FY29, residential fees increase to approximately \$4.10 monthly with commercial fees reaching up to nearly \$5,000 annually for highest tiers.

The frontage factor was included for excessive commercial fee spikes and to distribute costs more evenly. Commercial users generate more trips but pay fees adjusted for lane miles and road build standards. Residential roads, despite lower traffic, have similar maintenance costs per square foot because they're built for lighter traffic but require frequent repairs. The fee allocation matches burden fairly by assigning approximately 53% to residential users and 47% to commercial/non-residential users based on trip generation and road frontage. This approach shifts some transportation cost burden back onto commercial users, correcting current imbalances.

Discussion was held regarding a public rollout/implementation plan for a January 1, 2027, effective date.

Public hearings proposed for November 2026 after initial council discussions in September or October.

Communications include public notices, utility bill inserts, emails and a dedicated information website.

Work session adjourned at 5:46 p.m.

CITY COUNCIL MEETING

August 18, 2026 at 6:00 pm

80 South Main Street

Spanish Fork, UT 84660

Elected Officials Present:

Mike Mendenhall, Mayor
Landon Tooke, Councilmember
Stacy Beck, Councilmember

Jesse Cardon, Councilmember
Shane Marshall, Councilmember
Kevin Oyler, Councilmember

Staff Members Present:

Seth Perrins, City Manager
Dave Anderson, Comm Development Director
Shelley Hendrickson, Deputy Recorder
Jack Urquhart, Public Information Officer
Jered Johnson, Asst. Public Works Director
Brandon Snyder, Senior Planner
Bronco Hunter, Parks & Rec Director

Vaughn Pickell, City Attorney
Tyler Jacobson, Asst. City Manager
Jordan Hales, Finance Director
Matt Johnson, Police Chief
Austin Lunt, Master Officer
Emily Miller-Leger, Admin Intern

Staff Members Absent:

Tara Silver, Cory Pierce.

Visitors Present:

Douglas LeBaron — UT County, Emily Taylor — UT County, Heather Stiles — Spanish Fork, Jason Stiles — Spanish Fork, Josh Hjelmstad — Spanish Fork, Kristin Mortensen — Spanish Fork, Wendy Buhler — Spanish Fork, Ellie Thorne — Spanish Fork, Heidi Moore — Spanish Fork, Brianne Rios — Spanish Fork, John Grossman — Spanish Fork, James Berky — Spanish Fork, Sarah Stevenson — Spanish Fork, Krosbi Moessinger — Spanish Fork, Savannah Scott — Mapleton, J. Allen — Mapleton, John Sumner — Spanish Fork, Lytton O'Flaherty-Davis — Spanish Fork, Alexa Lowe — Spanish Fork, Anna Elise — UT County, Joyce Lewallen — SF City, Lecia Johnson — Spanish Fork, Richard James — Salem, Forrest Cushing — Salt Lake, Angie Parkin — UT County/Lehi, Corbin Smith — Spanish Fork, Daniel Rodriguez — Spanish Fork, Porter Moses — Spanish Fork, Teresa Pierce — Spanish Fork, Paul Wood — Spanish Fork, Adam Allen — Mapleton, Staci Hymas — Spanish Fork, Terri (?) — Holladay

Kade Butterfield — Saratoga Springs, Nora Neumiller — Spanish Fork, Kristi Bernards — SF, Steve Bernards — SF, Olive Pulsipher — Spanish Fork, Susan Chapman — Spanish Fork, Patience Bernards — Spanish Fork, Dennis Bernards — Spanish Fork, Elizabeth Wedge — Spanish Fork, Paul Weber — Spanish Fork, John Tyrrell — Spanish Fork, David Olson — Spanish Fork, Tyler V. (?) — Spanish Fork, Steven Ulmer — Spanish Fork, Trent Wride — Mapleton, Sharee Killpack — Mapleton, Sadie Ballif — Spanish Fork, Michael Ballif — Spanish Fork, Karson Hatch (?) — Spanish Fork, Josh Stern — Spanish Fork, Sarah Stern — Spanish Fork, Libby Hancock — Spanish Fork, Zach Davis — Salem, Mia Carlos — Salem, Joshua Bigler — Spanish Fork, Rachel Bigler — Spanish Fork, Darrin Fay — Spanish Fork, Kaleb Baum — Spanish Fork, Avorie Baum — Spanish Fork, Adilyn Robinson — Spanish Fork, Magnus Nichols — Spanish Fork, Angela Nichols — Spanish Fork, Scot Nichols — Spanish Fork, James Westwater — Spanish Fork, Janna Fillmore — Spanish Fork, Douglas Fillmore — Spanish Fork, Kaylie Lowry — Spanish Fork, Stacy Hayward — Spanish Fork, Char Blacker — Spanish Fork, Michael King — Spanish Fork, Jordan Stevenson — Spanish Fork, Jake Lasley — Spanish Fork, Wayne (?) — Spanish Fork, Ladd Gillman — Spanish Fork, Kevin Wirfs — Spanish Fork, Georgette Rowley — Spanish Fork, Calvin Rowley — Spanish Fork, Sarah Redmond — Spanish Fork, Jared Christensen — Spanish Fork, Jennifer Christensen — Spanish Fork, Kristie Smith — Spanish Fork, Josh Mendenhall — Spanish Fork, Shawn Rogers — Spanish Fork, Eric (?) — Spanish Fork, Coleman Mathis — Cottonwood Heights, Carren Crossley — Spanish Fork, Amy Fussell — Spanish Fork, David Fussell — Spanish Fork, Steve + Helen Morris — Spanish Fork, Jessiane Raehl (Jesse-Ann Raill?) — Spanish Fork, Liam Raehl — Spanish Fork, David & Tammy (?) — Benjamin, Madison Bringhurst — Spanish Fork, Brady Redfearn — SF, Rick H. Josephsea (?) — SF, Gloria Josephsea — SF, Ayden Scott — Orem, Tia Young — Mapleton, Heather Miller — Mapleton, Jim Apodach (?) — Mapleton, Maya Bowen — Spanish Fork, Paul Dayton — Spanish Fork, Judeth Heinz (?) — Spanish Fork, Ericka Covalt (?) — Spanish Fork, Kristine Mechling — Salem, Paul Hill — Spanish Fork, Abby Hill — Spanish Fork, Jared Christensen — Spanish Fork, Kaleb Rigby — SF, Emily Rigby — Spanish Fork, J M (?) — Spanish Fork, Kristen G. Lemon — Spanish Fork, Lori Zarembor — Spanish Fork, Kathleen Leavitt — Spanish Fork-ish.

Call to order, Pledge, Opening Ceremony

Mayor Mendenhall called the meeting to order at 6:00 p.m.

Councilman Oyler offered a motivational thought in the form of a prayer.

Councilman Cardon led those in attendance in the Pledge of Allegiance.

Public Comment

Mayor Mendenhall invited public comment. There was none

Council Comments

Councilwoman Oyler reported on the animal shelter meeting.

Councilwoman Beck no comment.

Councilman Marshall encouraged residents to slow down when driving.

Councilman Tooke invited Kathleen Leavitt with the Chamber of Commerce to the microphone. She announced upcoming Chamber events.

Councilman Tooke reported on the farmers market.

Councilman Cardon reported that peaches are available at the Farmers Market this year. He also met with the Youth City Council and recognized their work reviewing city issues and volunteering at community events. He announced the upcoming Harvest Moon Hurrah and that the Arts Council Chorale would begin rehearsals August 25th.

Mayor Mendenhall echoed Councilman Marshall's comments about the importance of drivers slowing down and staying safe. He thanked the crossing guards for their service and dedication to keeping students safe.

STAFF REPORTS

Bronco Hunter, Parks & Recreation Director, provided updates on two major projects. First, the Willie Barn and construction at the Fairgrounds and second, the Canyon View Park Pond. The fairgrounds are undergoing major improvements. The Willie Barn and the stall barns east of the High Chaparral have been demolished and new footings for the indoor arena were expected to be installed. Asphalt had been removed to make way for a new grass area. The City is working to minimize disruptions to scheduled events and venue users during construction, with completion anticipated in April.

The Canyon View Park pond has been drained for a restoration project, supported by approximately \$400,000 in grants from the Utah Outdoor Recreation Grant (UORG) and the Watershed Restoration Initiative (WRI). Work is expected to begin in early October and will include dredging the pond to a targeted depth of 8-10 feet, stabilizing and improving the banks, adding better fishing access, providing ADA-accessible areas on the north side and extending the ADA fishing dock. Springs beneath the pond have created some challenges that will need to be addressed.

Jered Johnson, Assistant Public Works Director, provided an update on the sewer line rehabilitation project near 900 North/1000 North and 200 East. The project involves rerouting sewer flow while the existing 21-inch sewer line is relined. The line has deteriorated and runs beneath I-15, making excavation near impossible. Relining the pipe is less costly and disruptive than replacement and is expected to extend the life of the line by approximately 50

years. The project is nearly complete, with traffic control anticipated to be removed by the end of the following week.

Vaughn Pickell reported on an impact fee case, *Stanley v. Salt Lake City*, concerning whether impact fees must be spent only on projects identified in the facilities plan in effect when the fees were collected or whether they may be used for projects included in updated plans. The district court ruled in favor of Salt Lake City and the case has been appealed. Provo City drafted an amicus brief supporting Salt Lake City's position that impact fees may be used for projects within the same infrastructure category under a current facilities plan. Staff explained that this flexibility is important because growth patterns, project costs, technology, and infrastructure needs can change over time. Spanish Fork City is joining Provo and other cities in supporting the brief.

Consent Items - Minutes Spanish Fork City Council Meeting 08-04-2026, Utah County, Tourism Tax Advisory Board (TTAB) Grant Agreement, FAA Federal Contract Tower Reimbursable Agreement, HOA West, LLC - Vista View - Fiber Service Agreement

Mayor Mendenhall introduced the consent items and asked if there was any council comment. There was none. He called for a motion to approve the consent items.

Councilwoman Beck - moved to approve the Consent Items. Councilman Marshall - seconded and the motion passed all in favor at 6:21 p.m. with a roll call vote.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

Mayor Mendenhall changed the order of the public hearing items. He introduced that the first public hearing would be on the Ordinance to amend the Zoning Map to change the zoning of a property from R-R and R-1-12 to C-2 located at approximately 400 North Spanish Fork Parkway.

He shared that the Heritage Room was being used as an overflow room due to the large attendance at the meeting, with approximately 30–40 people seated there and watching the meeting via livestream. Attendees were informed that additional seating was available and that those wishing to participate in upcoming public hearings would be brought into the Council Chambers as needed.

Mayor Mendenhall reviewed the city council public hearing rules.

Public Hearing - Ordinance to amend the Zoning Map to change the zoning of a property from R-R and R-1-12 to C-2 located at approximately 400 North Spanish Fork Parkway.

The Council reviewed a request to amend the zoning map for property located near 400 North and Spanish Fork Parkway, changing portions of the property from RR (Rural Residential) and R-1-12 to C-2 (General Commercial). The proposed commercial zoning applies to the northern portion of the property, while the southern portion would remain residential.

Brandon Snyder, Senior Planner, noted that the Planning Commission reviewed the request on August 5, 2026, and unanimously recommended approval, finding that the proposal aligned with the General Plan and would provide additional commercial services at a highly visible intersection.

Brandon summarized comments received during the Planning Commission public hearing. They were: the need for additional commercial services, the suitability of commercial development beneath the existing power lines and a preference for commercial development rather than townhomes. Concerns included potential drive-through headlights and noise, increased traffic, intersection improvements, and needed improvements along Spanish Fork Parkway.

The Council discussed buffering requirements between future commercial and residential development, including landscaping and masonry walls. Dave Anderson explained that the current ordinance would not require a wall along property that had not yet developed residentially and that any necessary requirements would need to be addressed as future development occurs.

The Council also discussed road, sidewalk, and intersection improvements along Spanish Fork Parkway and 2550 East. Brandon Snyder explained that improvements would generally occur as the property develops and could be completed in phases. Council members expressed interest in having the roadway improvements completed together rather than leaving portions unfinished.

The Council asked for clarification regarding consistency with the General Plan. Brandon Snyder explained that the General Plan is a visionary document and its boundaries are not as fixed as zoning district boundaries. The plan encourages commercial development at intersections and along higher-traffic corridors, which supports the proposed commercial use.

Staff also discussed previously collected funds associated with improvements along Spanish Fork Parkway. Those funds had been provided approximately ten years earlier in lieu of constructing improvements at that time. Due to increased construction costs, the original amount would likely no longer cover the improvements and staff indicated the City would fund the necessary work.

Mayor Mendenhall invited the applicant to address the council.

Forrest Glascoll, applicant, clarified his intent was to develop the commercial and residential portions of the property concurrently rather than in phases. As part of the development, the entire applicable section of Spanish Fork Parkway would be improved.

The applicant explained that the property to the east was owned by Rocky Mountain Power, which indicated it does not currently intend to sell the property. Because of the existing power corridor and its effect on the developable area, the proposed commercial layout extends farther south than indicated by the General Plan. The commercial acreage was also designed to accommodate required improvements, including a turn/slip lane around existing power infrastructure.

The residential portion would be developed under its existing zoning, with no zoning changes requested. The applicant plans to plat and improve the residential lots at the same time as the commercial development and may either work with a homebuilder or undertake some of the home construction.

Mayor Mendenhall called for a motion to go into public hearing.

Councilman Marshall ▾ **moved** to go **into** a Public Hearing. Councilman Cardon ▾ **seconded** and the motion **passed** all in favor at 6:42 p.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

John Sumption

Mr. Sumption stated that he lived across the street from the proposed development and supported the commercial use. He felt the development would provide an opportunity to improve the east side of Spanish Fork Parkway and connect the existing trail near the future Harmons development with the trail near Maple Mountain High School. He expressed support after learning that the development and roadway improvements would be completed at the same time rather than phased.

Janine Bassgard

Ms. Bassgard stated that she and neighboring residents had previously submitted a letter to the Council. She acknowledged property owners' rights to develop their property and recognized the challenges created by the existing power line corridor. She expressed appreciation that the roadway improvements would be completed at the same time as the development and that the City would address its portion of the improvements. She felt the proposed residential portion was compatible with the surrounding neighborhood and that the commercial proposal was one of the better options presented for the property. She did not believe the commercial development would significantly increase traffic because the roadway already carries traffic associated with the high school and other destinations. She asked the developer to be mindful of the three homes directly across from the development, particularly regarding headlights, access locations, and potential impacts on residents entering and exiting their properties.

Eric Thorpe

Eric stated that he lived near 130 North and expressed concerns regarding traffic and pedestrian safety. He noted that accidents frequently occur in the area and discussed children who walk across Spanish Fork Parkway to attend Sierra Bonita Elementary. He requested that additional pedestrian safety measures be considered as development occurs. He also expressed concern regarding the existing curve and visibility issues along the roadway and supported completing the roadway improvements at the same time as the development to improve traffic flow and safety.

Bree Rios

Bree expressed concerns regarding pedestrian and child safety in the neighborhood, noting

that the area has many young children and significant pedestrian activity. She supported bringing good businesses into the area but requested that pedestrian safety be a priority as development occurs. She also expressed concern about vehicles using neighborhood streets to avoid Spanish Fork Parkway, speeding near the park, accidents along Spanish Fork Parkway, and motorists failing to stop at the four-way stop near the high school. She asked that measures be considered to protect pedestrians and discourage speeding and cut-through traffic.

Jake Lasley

Mr. Lashley expressed concern about the conceptual plan showing three additional access points onto Spanish Fork Parkway. He stated that, given existing traffic conditions, three additional entrances/exits would be concerning and suggested that fewer access points would be preferable.

Mayor Mendenhall asked if there was anyone else who wanted to comment. There were no additional comments. He called for a motion to go out of public hearing.

Councilman Cardon ▾ **moved** to go **out of** Public Hearing. Councilman Tooke ▾ **seconded** and the motion **passed** all in favor at 6:53 p.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

Following the public hearing, the Council further discussed pedestrian safety along Spanish Fork Parkway with Bree and staff. Bree clarified that she would like to see wider pedestrian areas, landscaping or buffers between sidewalks and traffic, clearly marked crossings, and improvements that encouraged walking while discouraging vehicles from cutting through the neighborhood.

Staff explained that a planned intersection in the area would ultimately be constructed as a roundabout with pedestrian islands. The Council and staff also discussed completing improvements along Spanish Fork Parkway, pedestrian crossings and flashing beacons, Safe School Routes, and coordinating with the school district and Traffic Safety Committee to evaluate pedestrian safety in the area. Staff agreed to place the matter on the Traffic Safety Committee's list for further review.

The Council discussed limiting access points from the development onto Spanish Fork Parkway. Staff indicated that applicable spacing requirements would likely result in one commercial access onto the Parkway and potentially one residential access, with individual residential lots not directly accessing the Parkway. The Council also requested consideration of a traffic study and increased speed enforcement in the surrounding neighborhood.

The Council requested that staff coordinate with the developer to determine whether improvements on both sides of Spanish Fork Parkway could be completed concurrently with construction. The Council also discussed screening headlights from drive-through businesses to protect neighboring residences. The applicant indicated that screening drive-throughs

with landscaping, hedges, and berms is standard practice and would be incorporated into the landscape plans.

Councilman Oyler ▾ **moved to approve** the proposed Hollow Acres Commercial Zone Change based on the following findings:

Findings

1. That the proposal is consistent with the City's General Plan land use designation of commercial.
2. That the proposal will provide commercial uses at an important and highly visible intersection.
3. That the proposal will enhance commercial uses and services in the area.
4. That the proposal will promote conveniently located commercial uses and services, with an added condition that screening for headlights in the drive-thrus be evaluated during site plan with the DRC.

A friendly amendment, by Councilman Marshall was made to remove the finding stating that the proposal was consistent with the City's General Plan and to add a condition requiring the full length of the improvements along Spanish Fork Parkway to be completed in one phase. The amendment was accepted by Councilman Oyler and seconded by Councilwoman Beck.

Amended Motion

Councilman Oyler ▾ **moved to approve** the proposed Hollow Acres Commercial Zone Change based on the following findings and condition:

Findings

1. That the proposal will provide commercial uses at an important and highly visible intersection.
2. That the proposal will enhance commercial uses and services in the area.
3. That the proposal will promote conveniently located commercial uses and services, with an added condition that screening for headlights in the drive-thrus be evaluated during site plan with the DRC.

Condition

1. That the full improvements along SF Parkway be done or completed in one phase.

Councilwoman Beck ▾ **seconded** and the motion **passed** all in favor at 7:12 p.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

Public Hearing - Ordinance to Amend Title 15 to define and create requirements for data centers and facilities that generate their own electricity

Mayor Mendenhall introduced the public hearing item and invited staff to provide an overview.

Vaughn Pickell, City Attorney, provided an overview of the proposed Title 15 amendment to establish definitions and requirements for data centers with on-site power generation. The proposal was submitted by Volition and was modified based on staff and Planning Commission recommendations. The Planning Commission did not provide a recommendation after a motion for approval resulted in a 3-3 tie vote.

Vaughn explained that the amendment would define data centers, energy storage systems, controlled and ultra-low-emission generation and on-site power generation. The proposed use would be limited to the I-1 zone and would apply only to data centers that generate their own power rather than connect to the electrical grid.

Proposed regulations include a maximum generation capacity of 500 MW, a citywide limit of two self-generating data centers, grid isolation, residential-level noise standards, Utah Division of Air Quality approvals and emission limits, setbacks, screening and landscaping requirements, and wastewater and decommissioning provisions. Cooling would be limited to closed-loop, air-cooled or dry-cooling systems, with evaporative and once-through cooling prohibited.

Vaughn also reviewed a draft development agreement submitted by Volition that provided additional protections, including a water-use cap, prohibition of grid connection and exporting excess power, no diesel backup generators, noise monitoring, annual public compliance and economic reports, City inspection and audit rights, and financial assurance for decommissioning. Enforcement provisions include notice and an opportunity to cure violations, stipulated damages, specific performance, and injunctive relief. The development agreement is still being finalized and would return to the Council for consideration at a later date. He noted that the agreement would run with the land, making its requirements applicable to future property owners.

Councilman Marshall asked for clarification on the approval process. Vaughn explained that approval of the ordinance amendment would establish the rules and requirements for data centers but would not approve a specific data center or site plan. Once adopted, future site plans would be reviewed administratively by staff and the Development Review Committee (DRC) to ensure compliance with the standards established in the ordinance. Even if the use required a conditional use permit, the review would remain an administrative action handled by the Planning Commission rather than the City Council. He further clarified that future reviews would be conducted at public meetings, but no additional public hearings would be required.

Councilwoman Beck asked about stipulated damages. Vaughn explained that violations could result in stipulated monetary damages as well as additional remedies, including injunctions and specific performance ordered by a court. These remedies would be cumulative rather than mutually exclusive.

Vaughn clarified that some protections are contained in the proposed ordinance, while additional requirements are included only in the development agreement, which is still being finalized. The Council discussed whether those additional protections should be incorporated

into the ordinance or whether the ordinance should require any applicant for this type of use to enter into a development agreement. This would ensure that future applicants are subject to protections that may not otherwise be fully addressed in City Code.

Dave Anderson, Community Development Director, explained that due to the unique nature of the proposed land use, the City formed a committee in February to extensively evaluate the potential impacts of data centers. Over the past seven to eight months, staff researched the proposal and reported regularly to the Council. Several other data center proposals had previously been considered but did not move forward for various reasons.

Staff's review focused on potential impacts to the community and neighboring properties, including concerns that a large power user could negatively affect City utility customers and potentially increase electric rates. Other areas of evaluation included traffic, noise, odors, emissions and other potential land-use impacts.

As part of the review, staff visited facilities using the type of fuel-cell technology proposed by Volition and reported observing little to no noticeable noise or odor. Staff also visited a data center in Salt Lake County located near a residential neighborhood and observed no apparent adverse impacts on the neighboring area.

Dave emphasized that the City had conducted a more extensive review of this proposal than typical land use applications and that the proposed ordinance contains unusually detailed requirements. Staff believes a high regulatory standard is appropriate for data centers and facilities that generate their own power.

Applicant Presentation Jeff Chavez

Jeff clarified that the fuel cell facility previously referenced by staff generated approximately 40 MW of power, while the NOVA data center campus recently visited by staff operated at approximately 300 MW.

Mr. Chavez explained that Volition was founded in part to address concerns associated with traditional data centers, particularly impacts to the electrical grid, increasing utility rates, excessive water consumption, noise, and emissions. He emphasized that the company had worked collaboratively with the City and community throughout the review process and had responded to hundreds of questions raised during meetings, open houses and online.

Mr. Chavez outlined Volition's proposed approach, which included generating its own electricity without connecting to the City's electrical grid. The facility would use natural gas-powered fuel cells to generate electricity with reduced emissions compared to traditional generation. Cooling would utilize a closed-loop system requiring approximately 500,000 gallons for the initial fill and approximately 250,000 gallons annually thereafter. He stated that the facility would not request additional water beyond what is currently allocated to the property.

Mr. Chavez stated that the facility is being designed to minimize noise and heat, including locating cooling equipment indoors. He indicated that studies anticipate noise levels comparable to or lower than existing conditions and that additional heat generated by the facility would dissipate quickly beyond the property.

Mr. Chavez addressed questions regarding water quality and PFAS, stating that no chemicals other than glycol would be added to the closed-loop cooling water and that the system would not discharge cooling water into the City's drainage or drinking water systems. He

reiterated that the facility would not connect to the electrical grid or affect residential electrical service and stated that Volition is not requesting City or State subsidies, waivers, or concessions.

Mr. Chavez discussed the proposed fuel-cell technology and acknowledged that a data center of the proposed size had not previously operated entirely on fuel cells without a grid connection. He stated that the underlying technology had been used for many years in other applications. He also discussed air quality, noise, heat, and carbon emissions, noting that the facility would be required to comply with applicable State air-quality permitting requirements.

Mr. Chavez compared the proposed data center with other potential uses of the existing approximately one-million-square-foot industrial building. He stated that alternative distribution or industrial uses could generate substantially more truck traffic, noise, water use, and emissions. He also discussed a recent visit to the Nova data center in West Jordan and reported that nearby residents interviewed by Volition indicated they did not experience noticeable noise, heat, or vibration from that facility.

Mr. Chavez stated that the proposed facility is anticipated to have an on-site value exceeding \$4 billion and generate significant tax revenue benefiting the City and school district. He also described Volition's proposal to establish a community fund with a minimum annual contribution of \$500,000 to support local programs.

He explained that the proposed development agreement and ordinance amendment would establish requirements related to water use, grid independence, prohibition of diesel generation, noise, energy storage, air quality, wastewater, screening, decommissioning, and other operational standards. He emphasized that approval of the text amendment would not constitute final approval of Volition's project and that additional engineering, permitting, and regulatory requirements would still need to be satisfied.

Mr. Chavez requested that the Council consider allowing additional time before taking final action so the company could make its responses to community questions publicly available and address additional questions raised during the public hearing.

John Bankhead, Property Owner, discussed the history of the property and the efforts to develop the surrounding area, including approximately 600 residential units and funding obtained for a new Highway 6 interchange. He explained that the property owners have considered several potential industrial uses for the existing building, including expanded distribution and manufacturing operations, which could result in substantially more truck traffic, noise, emissions, water use, and impacts on surrounding neighborhoods.

Mr. Bankhead stated that, among the potential uses considered for the property, he believes Volition's proposed data center would have fewer impacts on surrounding residents and City infrastructure while providing greater financial benefits to the community. He expressed support for the proposal and described it as a positive opportunity for Spanish Fork.

Mr. Chavez concluded by reiterating Volition's commitment to working with the City and community and encouraged the Council to continue its due diligence before making a final decision.

Councilman Oyler **moved** to take a five minute break. Councilman Marshall **seconded** and the **motion passed** unanimously at 8:25 p.m.

The meeting reconvened at 8:30 p.m.

Mayor Mendenhall reminded everyone about the public hearing rules and called for a motion to go into public hearing.

Councilman Cardon ▾ **moved** to go **into** a Public Hearing. Councilman Tooke ▾ **seconded** and the motion **passed** all in favor at 8:38 p.m.

Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes

Mayor Mendenhall started public comment inviting people up by name.

Crosby Moesinger, Mapleton

Mr. Singer stated that he was speaking in opposition to the proposed data center and expressed concern that Volition had not provided sufficient data to substantiate its claims. He questioned what independent environmental impact studies had been conducted for nearby neighborhoods and asked why the project appeared to be moving quickly. He also asked what mechanisms would ensure residents have a meaningful voice before final approval.

Jessiane Raehl, Spanish Fork

Jessie encouraged the Council to take additional time before making a decision and questioned why the proposed amendment would allow two data centers. She supported requiring a development agreement and suggested incorporating Volition's stated commitments regarding water use, grid connectivity, decommissioning, noise, diesel generators, and third-party compliance reporting into enforceable requirements.

Sarah Stevenson, Spanish Fork

Ms. Stevenson emphasized the importance of listening to community input and expressed concern that the claims regarding emissions, water use, and other impacts had not been sufficiently supported by data. She stated that she opposed the proposed data center and encouraged the Council to prioritize the desires and well-being of the community.

James Berky, Spanish Fork

Mr. Burke stated that Volition's presentation alleviated many of his initial concerns, assuming the information presented is accurate. He asked whether City ordinances and agreements would remain enforceable if Volition were eventually purchased by another company. He also suggested exploring whether Spanish Fork residents could receive preferential access or other technological benefits from the facility.

Scott Nichols, Spanish Fork

Mr. Nichols complimented the City's diligence in evaluating the proposal but questioned why Spanish Fork should allow one or two data centers at all, particularly given their proximity to residential areas. He expressed concern about heat and other impacts and supported providing residents with an opportunity for additional input before a specific data center is approved.

Madison Bringhurst, Spanish Fork

Ms. Bringhurst questioned why all of Volition's commitments were not incorporated directly into the proposed Title 15 amendment. She raised concerns regarding language allowing limited grid connectivity and the removal of language that could allow additional restrictions in the future. She also questioned the long-term reliability of projected property tax revenues because of depreciation of personal property and cautioned against relying on commitments regarding relocating company headquarters unless those commitments are contractually binding.

Sadie Ballif, Spanish Fork

Ms. Bailiff stated that while Volition appeared sincere in its efforts to improve data center operations, she believed the proposed model remained largely untested. She asked the Council not to amend Title 15 until the technology and its impacts had been more thoroughly tested and documented. She also expressed concern that environmental studies had not been conducted regarding potential impacts to surrounding habitat and the Spanish Fork River Trail area.

Josh Millward, Spanish Fork

Josh expressed opposition to allowing data centers in Spanish Fork and stated that opposition to data centers crosses political lines. He acknowledged that Volition had addressed many common concerns but questioned whether sufficient supporting data had been provided. He cautioned that changing the zoning ordinance would apply beyond Volition and could allow future data center applicants.

Darren Fay, Spanish Fork

Darren stated that his primary concern was ensuring protections remain effective throughout the lifetime of the facility. He requested independent monitoring of noise and water consumption, reporting of natural gas use and emissions, an air-dispersion study using local canyon wind and terrain data, and an independent fire and explosion risk assessment. He emphasized that commitments should be measurable, independently verified, enforceable, and accompanied by meaningful consequences for violations.

Kristie Smith, Spanish Fork

Ms. Smith opposed allowing additional data centers and expressed concerns regarding heat, water consumption, potential contamination, noise, impacts to property values, wildlife, pollinators, and livestock. She encouraged the City to consider prohibiting data centers rather than amending the ordinance to allow them.

Anna Winkler, Spanish Fork - Maple Mountain High School Student

Anna opposed the proposal based on environmental, resource, employment, and broader concerns regarding artificial intelligence. She stated that limited resources should not be used to support additional data centers and encouraged consideration of the views of younger residents.

Staci Hymas, Spanish Fork

Stacey expressed concerns regarding air quality, water consumption, noise, natural gas, and the site's proximity to a fault line. She questioned what could occur at the facility during an earthquake and stated that she did not believe the proposed location was appropriate for a data center.

Carren Crossley, Spanish Fork

Ms. Crossley expressed concern about the removal of the conditional use permit process and the resulting reduction in opportunities for public input. She noted that site plan review

would instead be handled administratively by staff and the Development Review Committee. She requested that the City retain the proposed standards and caps, require a development agreement, and restore public hearings before individual data centers are approved.

Kaylie Lowry, Spanish Fork

Ms. Lowry questioned whether all commitments discussed by Volition during public meetings would ultimately be included in enforceable documents. She raised concerns regarding residential setbacks, the potential for two facilities, emissions monitoring, noise standards, and the lack of measurements for low-frequency and tonal noise. She asked what penalties would apply if an operator failed to comply with City standards and under what circumstances the City could require operations to cease.

Angie Parkin, Utah County

Ms. Parkin encouraged the City to require a decommissioning bond rather than only a decommissioning plan so taxpayers would not be responsible for cleanup if a facility closed. She also raised concerns regarding the use of natural gas and light pollution and supported restoring the conditional use permit requirement and associated public hearings.

Jess N, Spanish Fork

Jess acknowledged Volition's efforts to reduce water use, avoid connecting to the City's electrical grid, and minimize pollutants, but stated that significant questions remain regarding potential impacts to human health, wildlife, agriculture, temperature, water resources, and the surrounding environment. She requested additional standards in Title 15 and greater public awareness and participation before a decision is made.

Megan Banks Stotts, Spanish Fork

Ms. Banks expressed skepticism regarding the proposal and stated that her primary concerns were heat, drought conditions, fires, water, environmental impacts, and potential future costs to the community. She stated that she opposed the proposed data center.

Jim Apodaca, Mapleton

Jim requested that the City evaluate the impacts of the proposed data center against other potential industrial uses of the property, particularly a distribution operation that could generate substantial truck traffic. He stated that Mapleton residents would also experience impacts from development at the site and encouraged Spanish Fork to include Mapleton and potentially UDOT in discussions regarding future use of the property.

Heather Miller, Mapleton

Ms. Miller requested independent verification of the figures provided by Volition, noting what she viewed as inconsistencies in water-use estimates. She also expressed concern regarding nighttime noise levels and requested additional evaluation of noise impacts. She encouraged the City to include nearby Mapleton residents in any future governance or oversight board associated with the facility.

Tia Young, Mapleton

Ms. Young acknowledged Volition's openness and efforts to reduce the negative impacts traditionally associated with data centers but stated that many of the company's representations remained promises rather than independently verified data. She requested clear, written restrictions and meaningful penalties if the proposal moves forward and stated that she could not support a data center until thorough and repeatable studies verify its impacts.

Cherie Anderson, Spanish Fork

Ms. Anderson questioned whether financial penalties would be sufficient to ensure compliance by large technology companies. She expressed broader concerns regarding artificial intelligence and urged the Council to prioritize the wishes of Spanish Fork residents. She also questioned whether protections would remain effective if Volition were acquired by another company.

Dallin Young, Spanish Fork

Mr. Young, a Maple Mountain High School student, opposed allowing data centers in Spanish Fork. He expressed concerns regarding artificial intelligence and its potential impacts on education, critical thinking, employment, and society and stated that he did not believe AI data centers should be permitted in the City.

Nora Neumiller, Spanish Fork

Ms. Miller acknowledged the quality of Volition's presentation and the City's efforts to evaluate the proposal but questioned why the ordinance would allow two data centers. She expressed concern regarding future ownership, traffic, zoning changes, and the need for strong restrictions and continued resident involvement.

Zach Davis, Salem

Mr. Davis stated that comments regarding Volition's specific proposal were relevant to the broader zoning amendment because the ordinance could apply to future data centers. He questioned whether the proposed standards might limit competing technologies and expressed concern that Volition's self-powered model has not yet been demonstrated at the proposed scale. He also questioned the company's messaging and encouraged the Council to evaluate the proposal on its own merits rather than as an alternative to another industrial use.

Reed Warner, Spanish Fork

Mr. Warner discussed his professional experience working with data centers and requested additional information and independent verification regarding the proposed closed-loop cooling system. He also questioned the projected \$4 billion valuation and how depreciation would affect long-term tax revenues. He supported tabling the amendment to provide additional time for the Council and public to review proposed changes and provide further comment.

Dr. James Westwater, Spanish Fork

Dr. Westwater opposed permitting a data center in Spanish Fork, citing concerns regarding potential impacts to public health, the environment, and quality of life. He encouraged the Council to exercise caution regarding rapidly developing technology and offered to provide Councilmembers with additional information supporting opposition to data centers.

Teresa Pierce, Spanish Fork

Ms. Pierce stated that she lives near the proposed site and opposed Spanish Fork serving as the first location for what she characterized as an untested data center model. She questioned the completeness of studies regarding noise and truck traffic and raised concerns regarding potential health effects and property values. She encouraged Volition to demonstrate the technology successfully elsewhere before locating a facility near Spanish Fork residences.

Rick Josephsen

Mr. Josephsen raised questions regarding the proposed closed-loop cooling system, including the need to maintain and clean the system, potential fan noise, and the use of antifreeze. He expressed concern regarding the consequences of a leak and asked how

spilled cooling fluid would be contained, removed, and treated to protect the Spanish Fork River and surrounding areas.

John Wang, Spanish Fork

Mr. Wang opposed the proposed data center and questioned why such a facility should be located near densely populated residential areas when more remote locations are available. He expressed concerns regarding canyon acoustics, nighttime noise, light pollution, building height, and the lack of demonstrated experience with the proposed technology at this location.

Steven Ulmer, Spanish Fork

Steve questioned the projected property tax benefits, noting that much of the taxable value would be associated with equipment that depreciates over time. He encouraged the Council to carefully analyze long-term tax projections and potential budget impacts. He also cautioned against approving the project based on the argument that data center development is inevitable and encouraged the Council to determine whether the proposal is independently in Spanish Fork's best interest.

Kristine Mechling, Salem

Christine raised concerns regarding total direct and indirect water consumption, water availability during shortages, natural gas demand and utility costs, future replacement of equipment, potential pressure to connect to the electrical grid, and the actual number of permanent jobs the facility would create.

Mia Carlos, Salem

Ms. Carlos questioned the independence and rigor of studies and information presented regarding the proposal. She raised concerns regarding Volition's reliance on Bloom Energy technology and questioned the environmental and operational history of fuel-cell manufacturers. While acknowledging the goal of developing a more sustainable data center, she stated that she did not support placing the associated risks on the community.

Paul Hill, Spanish Fork

Mr. Hill stated that he supports growth and progress in Spanish Fork but questioned whether the data center represents the type of long-term development the community wants. He expressed concern that the discussion had focused on comparing the proposal with potentially more impactful industrial uses and encouraged the Council to consider the long-term character and needs of the community rather than primarily the immediate financial benefits.

Rod Hjelm, Spanish Fork

Mr. Helm supported restoring the conditional use permit requirement to preserve opportunities for public involvement. He stated that Volition's proposal had resolved many of his original concerns but requested strong and enforceable contractual commitments. His primary remaining concern was continuous low-frequency and tonal noise and vibration. He requested an independent full-spectrum acoustic study for both the initial and potential full buildout, along with baseline measurements at nearby residences.

Megan Williams, Spanish Fork

Ms. Williams opposed the proposal and requested additional study regarding potential environmental effects on livestock and wildlife. She specifically raised concerns regarding emissions and their potential effects on animals and agriculture and encouraged the Council to consider the City's agricultural community when evaluating the proposal.

Paul Weber, Spanish Fork

Mr. Weber stated that he initially strongly opposed the proposal but had changed his position substantially after reviewing the proposed facility and attending public meetings. He believed the design addressed many concerns associated with traditional data centers, particularly noise and efficiency, although he still supported a careful environmental assessment. He encouraged the City to compare the impacts of the proposed data center with realistic alternative industrial uses of the existing property.

Brady Redfearn

Dr. Redfearn described her professional background in industrial and systems engineering, information technology, cybersecurity, and AI and stated that she had independently researched the proposal. She supported the amendment and compared the proposed data center favorably with continued or expanded warehouse use, citing anticipated differences in truck traffic, emissions, grid use, noise, and property tax value. She stated that she believed the proposed ordinance establishes strong protections and that she had no reservations about the facility being located near her home.

Adam Allen, Mapleton

Mr. Allen stated that he initially had significant concerns about the proposal but became more comfortable after reviewing prior meetings and Volition's presentations. He stated that he generally supported the proposal if the company's commitments are fulfilled but remained concerned about potential impacts on nearby Mapleton property values and the lack of available data regarding those impacts.

Daniel Davis

Mr. Davis stated that he supported the data center provided the City establishes appropriate regulations, holds the operator accountable, and ensures the project operates in a manner that benefits the community.

Aidan Scott

Mr. Scott stated that through conversations with residents while campaigning for Congress, he had encountered significant opposition to data centers. He nevertheless complimented Volition for addressing many common concerns and praised the City for its public process. He encouraged the Council to remember its responsibility to Spanish Fork residents, obtain independent studies, and make reliable information readily available to the public before making a decision.

Public Comment ended

Councilman Oyler ▾ **moved** to close Public Comment. Councilwoman Beck ▾ **seconded** and the motion **passed** all in favor at 10:25 p.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

Mayor Mendenhall thanked the public for being respectful in their comments and questions and said that they would see the same from the elected officials as they talked about the merits of the proposal not the personal side of the issue.

Mr. Chavez thanked the public for their comments and stated that Volition would continue compiling and publishing responses to questions raised during the public process. He addressed concerns regarding depreciation, stating that the company's financial projections account for equipment depreciation and do not include the potential additional value of customers' computing equipment. He also stated that Volition would provide additional information regarding the reliability and history of Bloom fuel-cell technology.

Mayor Mendenhall encouraged the Council to continue asking questions and gathering information before making a decision. He emphasized that the Council's role was to determine whether the proposed private business could operate safely and effectively under appropriate City requirements, rather than choosing which private businesses should or should not operate.

Councilmember Marshall thanked residents for their participation and stated that the evening's discussion raised additional questions that deserved further consideration. He emphasized that Council decisions are based on what is best for the community and not on any personal benefit.

Councilmember Cardon reported receiving approximately 80 emails both supporting and opposing the proposed data center and thanked residents for providing thoughtful and productive feedback.

Councilman Oyler questioned Mr. Chavez regarding the purchase price of the existing building, battery storage, potential consequences of a facility outage, Volition's experience and qualifications, and whether the company would contractually commit to locating its headquarters in Spanish Fork.

Mr. Chavez stated that Volition intends to purchase the building for approximately \$142 million. He explained that the current Bloom fuel-cell design did not require battery storage, although battery storage could potentially be used if another fuel-cell technology were selected. He stated that service-level agreements with customers create substantial financial consequences for outages and that an eight-hour outage could theoretically result in losses exceeding \$50 million. He explained that the proposed system would include significant redundancy to reduce the likelihood of an extended outage.

Mr. Chavez also described Volition as a small but experienced team that relied on specialized third-party contractors and partners to implement its projects. He discussed the professional experience of members of the Volition team and stated that established contractors had conducted their own due diligence before agreeing to work with the company. He agreed that Volition would contractually commit to locating its headquarters in Spanish Fork.

Mayor Mendenhall discussed Spanish Fork's public power system and the City's participation in a diversified energy portfolio. He noted that similar low-emission natural-gas generation technology is already being incorporated into future public power resources serving Spanish Fork. He stated that this type of generation technology was increasingly being used by utilities and should not be viewed solely as an untested technology associated with the proposed data center.

Councilmember Marshall stated that the City's primary responsibility is to establish clear performance standards and ensure that those standards are enforceable rather than dictate which technology Volition must use. He emphasized the importance of protections if the project fails, ownership changes, or the operator violates noise, water, emission, or other requirements. He stated that additional third-party corroboration could be beneficial and supported ongoing monitoring and enforceable consequences for noncompliance.

Mr. Chavez stated that Volition was comfortable with enforceable requirements regarding grid independence, water use, and noise. He supported a suggestion to install permanent sound sensors for continuous monitoring around the facility and surrounding areas. He stated that Volition expects the facility to comply with proposed noise and heat standards.

Councilmember Marshall emphasized the importance of establishing baseline measurements before construction and monitoring conditions after the facility begins operating. He stated that violations should have meaningful consequences and suggested focusing on measurable performance standards and appropriate guardrails.

Mayor Mendenhall emphasized that potential tax revenue or community contributions would not outweigh concerns regarding public health or safety. He stated that the fundamental question for the Council is whether the proposed use can operate safely and whether it is an appropriate fit for Spanish Fork.

Councilmember Marshall clarified that comparisons between the proposed data center and the property's current industrial use were intended to provide context rather than present the Council with a "lesser of two evils" decision. He noted that the existing property already generates traffic, noise, light, heat, water use, and emissions.

Mayor Mendenhall discussed his familiarity with the area and compared current concerns with concerns raised when the Spanish Fork Canyon wind turbines were proposed. He noted that the turbines raised questions regarding noise, public health, wildlife, and environmental impacts at the time but have since become a recognizable part of the community.

Councilmember Cardon asked how the Council should proceed given the number of questions raised and whether the item should be continued to allow additional time to obtain answers rather than attempting to resolve every issue tonight.

Councilmember Marshall asked how requested changes to Title 15 should be compiled and incorporated. He stated that some provisions Volition had agreed to include in the development agreement might be more appropriately included directly in the ordinance.

Mayor Mendenhall recommended that Councilmembers ask their most important questions that evening while staff and the applicant compiled the remaining questions for further review. He supported taking additional time rather than rushing a decision.

Council discussion indicated that there was insufficient support to take final action that evening. Staff explained that it would begin incorporating Council feedback into proposed revisions to the Title 15 amendment and would cross-check representations made by Volition during open houses, meetings, and correspondence against the proposed development agreement.

Councilmember Marshall explained that Title 15 was the City's ordinance and that the Council must take ownership of its language and be comfortable with the standards it established. Council members clarified that participating in revisions to the ordinance did not indicate

support for final approval and that a Councilmember could recommend changes and still ultimately vote against the amendment.

Councilmember Cardon asked Mr. Chavez about independent third-party studies addressing acoustics, heat, air quality, and environmental impacts.

Mr. Chavez stated that Volition used third-party consultants for certain analyses, including air-quality work submitted to the State for independent review. He stated that additional third-party information regarding sound and heat could be provided and that existing environmental studies of the property could also be considered. He noted, however, that Volition did not believe it would be reasonable to commission a new study for every individual concern raised.

Councilmember Cardon asked Mr. Chavez to explain why the 'numbers' kept changing and the differing references to 250 MW, approximately 394 MW, and the proposed 500 MW maximum.

Mr. Chavez explained that 250 MW refers to the facility's anticipated critical computing load, while approximately 394–395 MW represents the potential total nameplate generation capacity needed to power the entire facility, including cooling, redundancy, and supporting systems. He stated that the 500 MW figure was proposed as a regulatory buffer and that the property is not expected to support more than 250 MW of critical computing load.

Councilmember Tooke thanked residents for their participation and stated that slowing the process was appropriate. He asked why the ordinance proposed allowing up to two data centers, how Spanish Fork residents could directly benefit from the facility, whether a decommissioning bond should be considered, and how reliable the projected financial benefits would be.

Mr. Chavez explained that the two-data-center limitation originated with the Planning Commission as a way to prevent unlimited development of similar facilities and stated that Volition did not oppose a limit. Regarding power, he stated that Volition could not currently provide generated electricity to nearby residents because doing so would require grid connectivity and utility-system improvements.

Mr. Chavez stated that Volition supported establishing a decommissioning mechanism that would ensure sufficient funds are available if the facility fails or closes. He estimated that decommissioning could cost more than \$30 million.

Regarding financial projections, Mr. Chavez explained that revenues could be lower if the facility developed at a smaller scale but could also be significantly higher because the projections did not include the value of customers' GPUs and other computing equipment.

Mayor Mendenhall cautioned against budgeting anticipated revenues before they were actually received. He also encouraged Councilmembers to personally visit operating facilities to gain firsthand experience with the technology and surrounding conditions.

Councilmember Oyler reported his visit to the Nova data center in West Jordan. He stated that heat from the fuel cells was noticeable when standing near them but was not noticeable farther away. He also reviewed publicly available water-use information and stated that, based on the Nova facility's reported use and closed-loop cooling system, water was no longer a significant concern to him personally.

He also reported speaking directly with residents living near the Nova facility. According to him, residents reported little or no noticeable noise from the data center and did not attribute reductions in property values to the facility. He emphasized that additional questions remained but stated that the firsthand observations were part of his homework.

Councilwoman Beck asked Mr. Chavez to clarify projected heat impacts. Mr. Chavez responded that current studies anticipated a maximum on-site temperature increase of approximately nine degrees under certain conditions, declining to less than one degree before approximately one-half mile from the site. She also described her visit to the Nova facility and stated that she did not personally find noise from the fuel cells concerning but continued to support independent studies addressing tonal, high-frequency and low-frequency noise.

Mr. Chavez explained that data centers located in quiet rural areas and using older equipment may have significantly different impacts than a modern facility located in an existing industrial area. He expressed confidence that Volition's proposed design and oversight requirements would minimize noise and other impacts to surrounding neighborhoods.

Council and staff discussion addressed potential impacts on nearby property values. Staff and Councilmembers discussed publicly available property-value information from neighborhoods surrounding the Nova facility and noted that those properties appeared to have followed similar market trends as properties in Spanish Fork.

Councilman Oyler reported contacting the Mayor and City Council of West Jordan regarding their experience with data centers. He stated that officials who responded indicated they were satisfied with the data centers in their community and reported few or no resident complaints. He also noted that two data centers were among West Jordan's largest property-tax entities.

Staff acknowledged that equipment depreciation is a legitimate consideration when estimating future property-tax revenue. Staff explained that computing equipment depreciates relatively quickly but is also generally replaced on a regular cycle, restoring taxable value. Staff recommended monitoring these fluctuations if the project moves forward.

Councilman Oyler asked City Attorney Vaughn Pickell what legal protections the City would have to enforce requirements against a data center operator, including a well-funded operator capable of challenging the City in court.

Vaughn explained that the proposed development agreement included monetary and equitable remedies for violations. These included liquidated damages, specific performance, and injunctions. He also noted that repeated zoning violations could result in revocation of a City business license following appropriate notice and a hearing. A court could order an operator to stop conduct that violates the agreement, and failure to comply with a court order could result in contempt proceedings.

Council and applicant discussion addressed concerns raised regarding litigation involving Bloom Energy. Mr. Chavez stated that litigation and allegations involving publicly traded companies were not uncommon and should not automatically be viewed as evidence of wrongdoing. Councilmember Marshall clarified that the proposed ordinance would establish performance standards rather than require Volition to use a specific technology or manufacturer.

The Council discussed how to proceed with revisions to Title 15. Councilmembers agreed to compile their individual concerns and proposed changes and provide them to staff. Staff agreed to compile the Council's comments for further review.

Councilman Oyler ▾ **moved** to table the Ordinance to Amend Title 15 to define and create requirements for data centers and facilities that generate their own electricity to the next City Council meeting, September 1, 2026. Councilman Tooke ▾ **seconded** and the motion **passed** all in favor at 12:12 a.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

Public Hearing - Ordinance to amend Title 15 to modify the parking requirements for properties that have detached accessory dwelling units that are smaller than 650 square feet.

Dave Anderson stated that changes to state law necessitated an amendment to Title 15. Mayor Mendenhall asked if there were any questions regarding the proposed change. There were no questions. Mayor Mendenhall called for a motion to go into a public hearing.

Councilman Cardon ▾ **moved** to go **into** a Public Hearing. Councilman Tooke ▾ **seconded** and the motion **passed** all in favor at 12:13 p.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

Mayor Mendenhall invited public comment. There was no public comment. He called for a motion to go out of public hearing.

Councilman Marshall ▾ **moved** to go **out** of Public Hearing. Councilwoman Beck ▾ **seconded** and the motion **passed** all in favor at 12:13 p.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes

Kevin Oyler	Yes
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Councilman Cardon ▾ **moved** to **approve** the ordinance to amend Title 15 to change the requirements for detached accessory dwelling units. Councilman Marshall ▾ **seconded** and the motion **passed** all in favor at 12:13 p.m.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

New Business - Interlocal Cooperation Agreement for Building Inspection and Plan Review Services

Dave Anderson explained that Mapleton City approached Spanish Fork regarding an interlocal agreement that would allow certified building inspectors from either city to perform inspections for the other when needed, with compensation provided according to the agreement. State law requires the City to maintain multiple options for certified building inspection services to ensure inspections can be completed within required timeframes.

He noted that Spanish Fork also has agreements with private inspection contractors, although they are rarely used. The City's former primary outside inspector is now Mapleton's building official, which contributed to establishing the proposed agreement.

The Council discussed how outside inspectors are selected and suggested establishing a written policy or process to ensure the selection is fair and transparent. Staff noted that cost, availability, performance, and consistency in interpreting City code may factor into the selection. The Council expressed support for having outside inspectors available during periods of increased workload or staff absences, rather than hiring additional full-time inspection staff.

Councilman Marshall ▾ **moved** to **approve** the Interlocal Cooperation Agreement for Building Inspection and Plan Review Services. Councilman Cardon ▾ **seconded** and the motion **passed** all in favor at 12:20 pm with a roll call vote.

Jesse Cardon	Yes
Stacy Beck	Yes
Landon Tooke	Yes
Shane Marshall	Yes
Kevin Oyler	Yes

ADJOURN

Councilman Cardon ▾ **moved** to **adjourn**. Councilman Tooke ▾ **seconded** and the motion **passed** all in favor at 12:20 p.m. with a roll call vote.

Stacy Beck	Yes
Jesse Cardon	Yes
Shane Marshall	Yes
Landon Tooke	Yes
Kevin Oyler	Yes

I, Shelley Hendrickson, Deputy Recorder of Spanish Fork City, hereby certify that the foregoing minutes represent a true, accurate and complete record of the meeting held on August 18, 2026. This document constitutes the official minutes of the City Council Closed meeting.

Shelley Hendrickson Shelley Hendrickson, Deputy Recorder